



# Bulletin

Vol. 26, No. 2


April 2000

## Chairman's Message

As I write this message, I have just returned from San Francisco, where Assistant General Counsel Luisa Menchaca and I held an "interested persons" meeting on the commission's year-long project to simplify our conflict of interest regulations. As was true with similar meetings held over the past few months in Oakland, San Diego and Mountain View, the San Francisco meeting gave us the opportunity to hear directly from local elected officials, representatives of various interest groups and ordinary citizens about their concerns with our conflict of interest laws. This input is extraordinarily helpful to the staff and commissioners as we decide how best to simplify or, when necessary, change our rules. We will continue to hold meetings throughout the state on various aspects of our conflict of interest revision program. Please help us spread the word about those meetings; attend if you can; and give us your comments in writing if you cannot attend. In addition, the Bipartisan Commission on the Political Reform Act, also known as the "McPherson Commission," will be holding a public hearing in Sacramento on May 8 to discuss whether the conflict of interest laws operate to dissuade citizens from participating in the political process. Information on the time and place of the meeting will be posted on our website.

This issue marks a milestone in my tenure as Chairman. For the first time since I took office, the FPPC has its full complement of five commissioners, and a complete executive staff. Inside this issue you will find articles on our new Executive Director, Wayne Strumpfer; our new General Counsel, Kathy Gnekow; and on Bob Tribe, who served as our Executive Director until his recent retirement, and now as a retired annuitant serves as Chief of the Administration Division and Deputy Executive Officer.

We learned recently that our request for funding to start a Public Education Unit within the FPPC has been denied by the Department of Finance for this year. We have the opportunity to resubmit our proposal for next year, with additional supporting information on why the state should fund further educational resources for the FPPC. If you believe, as we do, that the FPPC can and should do more to educate the public, local officials, filing officers and others about their rights and responsibilities under the Political Reform Act, we would appreciate your help in documenting the reasons why the additional funding would be money well spent. Contact me, Wayne Strumpfer or our Technical Assistance Division Chief Carla Wardlow with your ideas.

  
Karen Getman, Chairman

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## **Future Commission Meeting Dates**

The Commission meeting dates for the rest of this year will be:

<b>May 5</b>	<b>September 8</b>
<b>June 2</b>	<b>October 6</b>
<b>July 7</b>	<b>November 3</b>
<b>August 11</b>	<b>December 8</b>

Generally, Commission meetings begin at 9:30 a.m.

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### **California Fair Political Practices Commission**

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Karen A. Getman, Chairman  
William Deaver, Commissioner  
Kathleen Makel, Commissioner  
Carol Scott, Commissioner  
Gordana Swanson, Commissioner

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#### **Commission Meetings**

Meetings are regularly scheduled for the first Friday of each month at 9:30 a.m. in the Commission Hearing Room, 428 J Street, 8<sup>th</sup> Floor, Sacramento. Please contact the Commission to confirm meeting dates.

Pursuant to Section 11125 of the Bagley-Keene Open Meeting Act, the FPPC is required to give notice of its meetings ten (10) days in advance of the meeting. In order to allow time for inclusion in the meeting agenda and reproduction, all Stipulation, Order, and Decision materials must be received by the FPPC no later than three (3) business days prior to the ten day notice date.

To receive a copy of the Commission meeting agenda (free) or a copy of the full meeting packet (\$10/month or \$100/year) contact the Commission at (916) 322-5660. The agenda and packet are also available through the Commission's Fax-On-Demand service at 1-888-622-1151, index number 7000. Additionally, past and future agendas are posted on the website at [www.fppc.ca.gov](http://www.fppc.ca.gov).

## **Kathleen Gnekow Named as General Counsel**

Kathleen E. Gnekow, a veteran government law expert with the state Attorney General's office, was named as General Counsel by the Fair Political Practices Commission.

Gnekow has been with the Attorney General's office since 1980, first in the Natural Resources Section, where she represented several state agencies and handled complex intergovernmental litigation, often as the lead attorney on a case. She also conducted criminal trials as a part of an exchange program with the Sacramento County District Attorney's office.

She has been with the Correctional Law Section since 1990, handling numerous, often high-profile cases involving the state prison system.



Before joining the Attorney General's office, Gnekow was with the California Legislative Counsel from 1977-80, serving as legal counsel to legislative committees and researching and writing legal opinions.

She received her Juris Doctor degree in 1977 from King Hall, University of California at Davis, where she was a teaching assistant for legal research and writing and participated in the Honors Moot Court. She holds a Bachelor's degree in art history from Dominican College of San Rafael and a Master's degree in library science from the University of California at Berkeley.

"We are pleased that our extensive search yielded such a remarkable candidate," said Chairman Karen Getman. "The Commission and the people of this state will be well-served by Kathy's depth of experience, her intellectual rigor and reputation for excellence."

## **Wayne K. Strumpfer Named as Executive Director**

Wayne K. Strumpfer, a prosecutor in the state Attorney General's Criminal Law Division specializing in public official corruption prosecutions, has been named FPPC Executive Director by the Fair Political Practices Commission.

Strumpfer succeeds longtime FPPC Executive Director Robert Tribe, a veteran commission administrator who has been with the agency since it was created by the Political Reform Act of 1974.

As executive director, Strumpfer will supervise the day-to-day operation of the agency, advise the five-member commission, develop and manage the agency budget and coordinate plans for future agency actions.

A deputy attorney general since 1995, Strumpfer has worked primarily in public official corruption cases but also in a wide range of legal areas.



Prior to joining the state Attorney General's office, he was a deputy district attorney for Sacramento County from 1992-95, prosecuting felonies and working closely with law enforcement and crime victims. He conducted more than 20 jury trials and nearly 100 preliminary hearings.

Strumpfer attended McGeorge School of Law, where he was a member of the Traynor Honor Society and received his Juris Doctorate with distinction in 1992. He graduated from California State University, Sacramento with a B.A. in history, government and sociology in 1988.

*Continued on page 11*

## Toasts and Roasts at Tribe Retirement Dinner

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Executive Director Robert “Bob” Tribe, who joined the FPPC when it was created a quarter-century ago, was honored by nearly 200 friends and colleagues at a retirement dinner in the Sacramento Grand Ballroom March 2.

Former Commission Chairman Dan Stanford was the master-of-ceremonies for the event, performing a scripted as well as ad-libbed tribute to his longtime friend that drew frequent laughter and applause. Stanford’s deadpan reading of mock congratulatory letters from individuals “unable to attend” was clearly the evening’s highlight.

Tribe was toasted — and roasted — by numerous friends and present and former co-workers, including: Jim Burton, chief executive officer of CalPERS; Cy Rickards, FPPC Enforcement Division Chief; Art Godwin, a partner in Godwin & Masuda; James Bailey, a former Outward Bound instructor who currently teaches recreation and outdoor courses with Tribe; Cliff Threlkeld, assistant director of the East Bay Municipal Utilities District, and Frank Rogers, an insurance broker who, like Threlkeld, is a friend of Tribe’s from high school days.

FPPC Chairman Karen Getman and Commissioner Gordana Swanson presented Tribe with a proclamation from Gov. Gray Davis, in which the Governor praised Tribe as “a model of excellence and professionalism.”

Tribe commended “the incredibly high standards” of present and former staff of the agency and said he is “honored to have been the Executive Director for the present five-member commission, whose members personify the best and brightest in state government, who are my friends as well as my employers.” He reserved special praise for his wife Jeanne Pritchard, former chief of the Technical Assistance Division whom Tribe met while both were working for the FPPC.



Bob Tribe

The dinner was organized and coordinated by FPPC Chief Investigator Al Herndon and Investigators Linda Moureaux, Colleen McGee and Sue Straine.

Tribe has served as executive director since 1995 and was chief deputy director from 1991-95 and commission administrator from 1975-91. He will continue to work for the agency part-time as chief of the Administration Division

and deputy executive officer. He plans to devote more time to his family as well as his longtime avocation — leading wilderness hikes, mountain-climbing, biking and backpacking. He teaches regularly for three companies and serves on the board of the Headlands Institute.

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# February Commission Meeting Summary

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## **Wood Opinion Considered/Hicks Opinion Requesting Exception to “Legally Required Participation” Rejected**

At its February meeting, the Commission considered a request from the office of the Secretary of State regarding how to interpret section 91013 of the Act which provides fines for late filing for campaign and lobbying statements. For the first time in California, state committees, lobbyists, lobbyist employers, and lobbying firms are required to file both an electronic version and a paper version of all reports due if they reach certain thresholds of financial activity. The Commission voted that the electronic version and the paper version are both originals for purposes of late fines. Staff was directed to bring the opinion to the March meeting for formal adoption.

The Commission also considered a request from Oakland City Attorney Joyce Hicks on behalf of Oakland Mayor Jerry Brown, to extend the “legally required exception” rule to public officials who influence or participate in governmental decisions. Under the conflict of interest exceptions, a public official is permitted to “make” a governmental decision if the decision is one which the board or commission is legally required to make and a quorum of the board cannot be made. The opinion request would have extended this exception to officials who only “participate” or “influence” final decisionmakers. The Commission rejected the opinion request and directed staff to draft an opinion to that effect for adoption at the March meeting.

## **Conflict of Interest Improvement Project Continues**

The Commission continued to work on the conflict of interest improvement project and several issues were discussed.

The Commission took testimony from persons interested in carving out an exception to the materiality standard for certain redevelopment decisions which might affect an official’s principal place of residence. The Commission opted to consider this exception in the context of the “public generally” exception regulations.

In addition, the Commission considered a proposal from the California Association of Realtors that financial effects from governmental decisions expected to occur more than 12 months after the decisions, would not be considered “reasonably foreseeable” for public officials who are real estate brokers or agents. The Commission directed staff to bring back a proposal for discussion for a time frame longer than 12 months, which would apply to all public officials.

Finally, the Commission had a lengthy discussion with staff and interested persons on the “indirect” effect standard for decisions affecting real property. Currently, a public official must abstain from participating in a decision if the official’s real property is within 300 feet of the property which is the subject of the decision and the decision could affect the property by “one-penny.” A \$10,000 financial effect applies to property located between 300 feet and 2,500 feet of the property which is the subject of the decision. The Commission directed staff to draft alternative proposals relating to indirectly involved real property and to consider developing a “de minimus” standard.

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# March Commission Meeting Summary

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## Commission Adopts *Wood* and *Hicks* Opinions

The Commission formally adopted the *Wood* Opinion which memorialized that for purposes of the late filing fines under section 91013, the electronic version and the paper version of the filing are each considered an original.

The Commission also formally adopted the *Hicks* Opinion which provides that Mayor Jerry Brown is not legally required, within the conflict of interest provisions of the Act, to “participate” in a broad range of activities related to a redevelopment project in the City of Oakland. Chairman Karen Getman wrote a separate, concurring opinion. The vote was 4-0 (Commissioner Carol Scott was absent).

## First Steps Taken Toward Adoption of Conflict of Interest Regulations

The Commission provisionally approved for adoption the first of the regulations proposed under the conflict of interest regulation project. The Commission is opting to formally approve these regulations at the conclusion of Phase II of the conflict of interest regulation project. Provisionally adopted at the March meeting were:

**Regulation 18232** - The exceptions to the definition of “Income”

**Regulation 18703.5** - Defining personal finances

**Regulation 18704.5** - Determining whether personal finances are directly or indirectly involved in governmental decisions

**Regulation 18705** - Standards for determining whether a financial effect is material

**Regulation 18705.3** - Materiality standard as applied to persons who are sources of income

**Regulation 18705.5** - Materiality standard as applied to economic interests in personal finances

## Regulation Specifying Notice to Contributors of \$5,000 or More Amended

The Commission also formally adopted amendments to regulation 18427.1 affecting the Notification to Contributors of \$5,000 or More. This regulation provides the specific language to be included in the notice required by section 84105.

## FPPC Orders Strawberry Commission to Amend its Conflict of Interest Code

The California Strawberry Commission was ordered by the FPPC to amend its conflict of interest code to require its members to disclose investments and business positions in entities that produce, process, or ship fresh fruits. This action came as a result of the Strawberry Commission’s rejection of a request from the United Farm Workers (“UFW”) to amend its code to require disclosure of such interests. The UFW appealed that rejected request to the Fair Political Practices Commission which, as the code-reviewing body for the Strawberry Commission, voted to order the Strawberry Commission to amend its code.

The Commission also took action in the following enforcement matters:

**Leticia Soto**, a commissioner of the City of Madera Civil Service Commission, was issued a default decision and order to pay \$4,000 for her failure to file her assuming office Statement of Economic Interests by October 22, 1997 and failure to file her annual Statement of Economic Interests by April 1, 1999.

**Nabih Youssef**, a former commissioner with the Building Standards Commission, was fined \$1,200 for failing to timely file his 1997 annual Statement of Economic Interests by April 1, 1991, and failing to timely file his leaving office Statement of Economic Interests by January 30, 1999.

# March Commission Meeting Summary

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**Patrick Wanta**, former member of the Loan and Grant Committee for the California Department of Housing and Community Development, was fined \$800 for failing to timely file both his 1997 and 1998 annual Statements of Economic Interests on or before the April 1 due date.

**Valerie Martinez**, a press secretary for the California State Assembly, was fined \$600 for failing to timely file her 1998 annual Statement of Economic Interests by April 1, 1999.

**Philip Aplin**, a member of the Grass Valley Design Review Board, was fined \$500 for failing to timely file his 1997 annual Statement of Economic Interests by April 1, 1998.

**Bruce Taylor**, a city councilmember for the City of Sanger, was fined \$500 for failing to timely file his 1998 annual Statement of Economic Interests by April 1, 1999.

**Walter Hughes**, a legislative aide for the California State Assembly, was fined \$500 for failing to timely file his 1998 annual Statement of Economic Interests by April 1, 1999.

**Joseph Lyons**, a senior consultant for the California State Assembly, was fined \$500 for failing to timely file his 1998 annual Statement of Economic Interests by April 1, 1999.

**Stanley Holloway**, former planning commissioner for the City of Richmond, was fined \$300 for failing to timely file his 1998 annual Statement of Economic Interests by April 1, 1999.

**Heather Dickinson**, a field representative for the California Assembly Rules Committee, was fined \$300 for failing to timely file her 1998 annual Statement of Economic Interests by April 1, 1999.

**Hilmar Cheese Company, Inc.** was fined \$600 for failing to file a major donor statement by January 31, 1999, reporting contributions of \$35,650 it made to candidates and committees in 1998.

**Giant Group, Ltd.** was fined \$600 for failing to file a major donor statement by January 31, 1999, reporting contributions of \$26,000 it made in 1998.

**K. Hovnanian Companies of Ca., Inc.** was fined \$400 for failing to file a major donor statement by January 31, 1999, reporting contributions of \$10,000 it made in 1998.

**John F. Otto** was fined \$400 for failing to file a major donor statement by January 31, 1999, reporting contributions of \$10,000 he made in 1998.

**Richard D. Marconi** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$16,000 he made in 1998.

**Tyrone Pike** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$10,000 he made in 1998.

**Raquel Olamendi and Committee to Elect Raquel Olamendi** were fined \$250 for failing to file a semi-annual campaign statement by January 31, 1999. Raquel Olamendi was a candidate for Dana Point City Council in the November 3, 1998 General Election.

# April Commission Meeting Summary

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## Commission Revisits the *Fontana* Opinion

The Commission considered a request from the Los Angeles Ethics Commission to revisit the *Fontana* Opinion. Under *Fontana*, a group of citizens seeking to incorporate a new city does not become a committee with reporting obligations until the incorporation proposal is submitted to the voters by a legislative body and is placed on the ballot.

The City of Los Angeles requested the Commission reconsider the *Fontana* Opinion as various groups have raised and spent money in support of movements to separate portions of the City of Los Angeles from the City itself. This process involves circulating petitions, obtaining approval from the Los Angeles County Local Agency Formation Commission (“LAFCO”), and submitting the matter before the voters in the form of a ballot measure. Under *Fontana*, these groups have no reporting obligation until the matter is placed on the ballot.

Rather than reconsider and rescind *Fontana*, the Commission directed staff to work with Assembly Speaker Robert Hertzberg on AB 2838. This bill requires earlier reporting of contributions and expenditures than required under *Fontana* and requires LAFCOs to adopt lobbyist reporting requirements consistent with the Political Reform Act.

## Commission Hears Discussion on Amendments to Regulations Interpreting Government Code Section 84308

The Commission heard testimony from staff regarding the need to amend regulations 18438.2, 18438.3, and 18438.4 to provide definitions of terms used in section 84308. The Commission directed staff to prepare for pre-notice discussion regulations which define the exceptions for “competitively bid, labor, or personal employment contracts,” clarify who should be considered the “agent of a party to, or a participant in, a proceeding,” and clarify how the terms “party” and “participant” apply to business entities. These regulations will be brought back for pre-notice discussion at a future Commission meeting.

The Commission took action in the following enforcement matters:

**Raymond Cordova**, a former field representative for the Senate Rules Committee, was issued a default decision and order in the amount of \$4,000 for his failure to file his 1997 annual Statement of Economic Interests and for failing to file his leaving office Statement of Economic Interests which was due on March 17, 1999.

**California Independent Public Employees Legislative Council PAC** was fined \$2,500 for failing to file preelection campaign statements in connection with the March 1996 and November 1996 elections.

**Ocean Mist Farms** was fined \$1,600 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$37,500 it made in 1998, and for failing to file a late contribution report for a \$25,000 contribution made to Californians for Gray Davis during the final days of the November 1998 general election.



## April Commission Meeting Summary

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**Senate Republican Majority Fund, an Officeholder Committee of Senator Rob Hurtt, Rob Hurtt, and Seyol Choye, Treasurer** were fined \$1,500 for failing to file a late contribution report for a nonmonetary contribution of \$48,459 in the form of payment for telephone banks made on behalf of Richard K. Rainey's committee, Rainey for Senate, in the final days before the November 1996 general election.

**National Alliance Insurance Company** was fined \$1,000 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$10,000 it made in 1998, and for failing to file a late contribution report in connection with that \$10,000 contribution which was made to the Charles W. Quackenbush Re-Election Committee during the final days of the November 1998 general election.

**George E. McCown** was fined \$1,000 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$14,200 he made in 1998, and for failing to file a late contribution report in connection with a \$10,000 contribution to the Delaine Eastin Committee during the final days of the November 1998 general election.

**California Insurance Group** was fined \$1,000 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$10,000 it made in 1998, and for failing to file a late contribution report in connection with that \$10,000 contribution made to Charles W. Quackenbush Re-election Committee during the final days of the November 1998 general election.

**Vahan Chamlian** was fined \$1,000 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$10,000 he made in 1998, and for failing to file a late contribution report in connection with that

\$10,000 contribution made to the Charles W. Quackenbush Re-election Committee during the final days of the November 1998 general election.

**Kenneth G. Langone** was fined \$1,000 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$10,000 he made in 1998, and for failing to file a late contribution report in connection with that \$10,000 contribution made to the Lungren Committee for Common Sense Conservatism during the final days of the November 1998 general election.

**Marc Stern** was fined \$1,000 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$10,000 he made in 1998, and for failing to file a late contribution report in connection with that \$10,000 contribution made to the Lungren Committee for Common Sense Conservatism during the final days of the November 1998 general election.

**James C. Neuhauser** was fined \$1,000 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$10,000 he made in 1998, and for failing to file a late contribution report in connection with that \$10,000 contribution to the Lungren Committee for Common Sense Conservatism during the final days of the November 1998 general election.

**Peter W. Mullin** was fined \$1,000 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$23,000 he made in 1998, and for failing to file a late contribution report in connection with a \$10,000 contribution to the Lungren Committee for Common Sense Conservatism during the final days of the November 1998 general election.

**Griffith Company** was fined \$1,000 for failing to file a major donor statement by

# April Commission Meeting Summary

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January 31, 1999, disclosing contributions of \$20,500 it made in 1998, and for failing to file a late contribution report in connection with a \$2,000 contribution it made to the Lungren Committee for Common Sense Conservatism during the final days of the November 1998 general election.

**Litton Industries, Inc.** was fined \$600 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$27,000 it made in 1998.

**D.H. Smith, Inc.** was fined \$600 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$25,000 it made in 1998.

**National Steel & Shipbuilding Co.** was fined \$600 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$40,750 it made in 1998.

**John Sullivan** planning commissioner for the City of Half Moon Bay, was fined \$500 for failing to timely file his 1998 annual Statement of Economic Interests by April 1, 1999.

**Shirley Mobley** planning commissioner for the City of Taft, was fined \$500 for failing to timely file her 1998 annual Statement of Economic Interests by April 1, 1999.

**Santa Clarita Business Park Company** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$20,000 it made in 1998.

**Charles Robins** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$10,000 he made in 1998.

**McLarand, Vasquez & Partners** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$11,500 it made in 1998.

**Kathleen L. McCarthy** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$11,000 she made in 1998.

**MGC Communications, Inc.** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$20,000 it made in 1998.

**Mann's Sunny Shores** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$11,000 it made in 1998.

**Loeb & Loeb**, was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$11,000 it made in 1998.

**Roger Kirwan**, was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$12,500 he made in 1998.

**Jonathan Grey & Associates** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$10,300 it made in 1998.

**Century Pacific Equity Corporation** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$10,250 it made in 1998.

**Authentic Fitness Corporation** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$12,500 it made in 1998.

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**Strumpfer** — *Continued from page 3*

“Wayne brings to this office an exceptional combination of skills,” said Commission Chairman Karen Getman. “He has a strong background in prosecution of public corruption and has prosecuted jury trials, conducted grand jury hearings and supervised investigations of cases involving police chiefs, judges, state officeholders and other elected officials. He supervised a team of five attorneys who handle conflict-of-interest cases for local prosecutors.

“He has an excellent reputation for integrity and sound judgement, as well as a strong understanding of the responsibilities of the Fair Political Practices Commission,” she added. “He is committed to helping us continue our mission to move in new directions — to quickly and effectively prosecute violations of the Political Reform Act as well as to educate and inform officeholders, candidates and the general public about the work of the commission. We are delighted that he is joining us.”

**February Meeting Summary** — *Continued from page 5*

The Commission took action in the following enforcement matters:

**California Republican Assembly Committee Against Tax Increases and James Harnsberger**, its treasurer, were issued a default decision and order for \$13,000 for failing to file campaign statements between the period January 31, 1996 and January 31, 1998. The committee was a ballot measure committee primarily formed to qualify a tax-cut initiative for the November 1996 election in the City of El Cajon.

**California Healthcare Committee on Issues, Sponsored by California Healthcare Association and Doug Hitchcock**, its treasurer, were fined \$2,000 for failing to file a late contribution report for two contributions made during the final days before the 1996 General Election.

**Edward E. Penhoet**, Dean of the School of Public Health of the University of California, Berkeley, was fined \$500 for failing to timely file his assuming office Statement of Economic Interests with the University by August 3, 1998.

**April Meeting Summary** — *Continued from previous page*

**AC Nielson** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$10,000 he made in 1998.

**Stuart Schwartz** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$10,000 he made in 1998.

**Donald E. Sodaro** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$15,000 he made in 1998.

**Sun Healthcare Group** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$24,000 it made in 1998.

**Umax Technologies** was fined \$400 for failing to file a major donor statement by January 31, 1999, disclosing contributions of \$11,000 it made in 1998.

**Tim Cromartie**, an Assembly staff member, was fined \$300 for failing to timely file his assuming office Statement of Economic Interests by May 12, 1999.

**Olivia Raynor**, board member for the State Council on Developmental Disabilities, was fined \$200 for failing to timely file her 1998 annual Statement of Economic Interests by April 1, 1999.

**G. Patrick Dyer**, city councilmember for the City of Nevada City, was fined \$200 for failing to timely file his 1998 annual Statement of Economic Interests by April 1, 1999.

# Legislative Update

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## **SB 1874 Relating to Electronic Filing as Urgency Legislation**

Senator Ross Johnson introduced legislation to clarify the recently enacted electronic filing requirement for state officers, state general purpose committees and slate mailer organizations. Under existing law, the requirement to file electronically applies if \$100,000 or more is raised or spent between January 1, 1999 and June 30, 2000 in connection with the March 2000 election. The legislative amendment removes the link to the March 2000 election.

Under SB 1874, the electronic filing requirement will apply to any state officer, state general purpose committee or slate mailer organization which raises or spends \$100,000 or more between January 1, 1999 and June 30, 2000. The first statement required to be filed as a result of this amendment will be the July 31, 2000 semi-annual statement.

The author hopes to have this urgency legislation submitted to the Governor by June 1, 2000. This bill was approved by the Senate Elections Committee on April 5, 2000.

## **Bills Recently Introduced**

(The Legislature may amend the Act to further its purposes with a 2/3 vote of each house. The following is a summary of PRA-related bills introduced in the 1999-2000 Legislative Session.)

## **Bills Amending the Political Reform Act**

**AB 746** (Papan) - Amends the definition of "foreign principal" in section 85320 to allow U.S. citizens domiciled outside of the United States to make contributions and expenditures to any ballot initiative, recall or referendum.

**AB 1838** (Leonard) - This bill would extend the "public generally" exception to any public official who can show that an industry, trade or profession would be affected by a decision in substantially the same manner as the public official's economic interest. (Introduced as urgency legislation.)

**AB 2720** (Olberg) - This bill would exclude from the definition of "contribution" citizen-created campaign Web sites on the Internet, Web sites developed by nonpartisan organizations to promote candidate and issue debates, private Web sites linked to official campaign Web sites, and other Web sites that offer political advocacy that are not established or maintained by or at the behest of or otherwise controlled by candidates or committees.

**AB 2728** (Olberg) - This bill expresses the intent of the Legislature to enact legislation that would require campaign committees to disclose contributions and expenditures on the Internet within 48 hours of receiving the contribution or making the expenditure.

**AB 2838** (Hertzberg) - This bill requires earlier reporting of contributions and expenditures than required under the *Fontana* Opinion, and also requires LAFCOs to adopt lobbyist reporting requirements consistent with the Act.

**SB 2076** (Polanco) - This is the Commission-sponsored forms simplification bill. This bill would provide for quarterly reporting; require local candidates file their statement of intent to be a candidate with their local filing officer, rather than the Secretary of State; require general purpose committees which make late independent expenditures to file late contribution reports for contributions the committee receives; and provide for the disclosure of assets of a committee.

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## Proposition 208 Trial Set for July 11, 2000

On August 13, 1999, the parties to the Proposition 208 litigation returned to the Federal District Court for a status conference, following remand of the case from the Ninth Circuit Court of Appeals. The appellate court directed the district court to conduct further evidentiary hearings, and to issue a final judgment on all challenged provisions. The preliminary injunction issued by the district court in 1998 was not based on findings as to all of the provisions under attack.

The injunction is expected to remain in effect until the district court proceedings are completed and the matter returns to the Ninth Circuit for final disposition. At a status conference before the district court on November 10, the parties were directed to submit their witness lists and to prepare for a substantial further trial. That trial has since been set for July 11, 2000.

### Legislative Update — *Continued from previous page*

**SB 1223** (Burton) - This bill is a vehicle for a campaign reform conference committee being chaired by the Senate pro Tem.

**SB 1458** (Lewis) - This bill would expand the Act's revolving door provisions to the state's inspectors general.

### Bills Amending the Elections Code

**SB 1829** (Poochigian) - This bill would require advertisements (including Internet-based ads) expressly advocating election or defeat of a state or local candidate or passage or defeat of a state or local ballot measure to prominently disclose the names of each committee that supplied funding for the advertisement.

### Tribe's Toast and Roast — *Continued from page 4*



Bob Tribe and Commissioner  
Gordana Swanson



From left: Margaret Figeroid, Jeanette Turvill,  
Tribe, Carla Wardlow, and Trish Mayer



Ben Davidian, Tribe, and Dan Stanford

### **It's Over!!!** **Statement of Economic Interests Deadlines Pass** *Now...the Real Work Begins*

Now that the filing deadlines have passed, the real work of reviewing statements begins. You have the duty and responsibility to conduct facial or full review of those statements for which you are the filing officer.

Every original statement that you receive must be given a "facial" review. Any late filed statement, statements which don't pass the "facial" review and 20% of the statements filed, must be given a "full" review. What is the difference between a "facial" and a "full" review?

A "facial review" only requires that you review the statement to ensure that:

- The name and address of the filer is given;
- The period covered for the statement is correct;
- The type of statement is accurately checked;
- The Summary, Section 4, is complete and all schedules which the filer indicates are attached, are in fact, attached; and
- The verification is complete, including an original signature of the filer.

A "full review" requires that you compare the filer's statement of economic interests with the disclosure category portion of your agency's conflict of interest code to first determine what types of financial interests must be disclosed. For instance, if a particular filer is not required to disclose interests in real property and there is something amiss with how a particular interest in real property was reported, you would not want to ask for an amendment, because the filer did not need to report interests in real property in the first place.

### **Referring Non-Filers to the Enforcement Division**

If, after making an attempt to obtain a statement from a filer, you are still unsuccessful, you are required to refer that filer to your enforcement authority, or to the Commission's Enforcement Division. At the filing officer seminars and in the packet of forms mailed to you this spring, a one-page enforcement referral form was included for your use in referring non-filers to the Commission. Please use that form, along with copies of correspondence with the filer and summaries of telephone conversations, when referring non-filers to the Enforcement Division.

#### *Question of the Month*

***If a filer of a statement of economic interests files 15 days late, may I, as the filing officer, assess a fine of \$10 per day to a maximum of \$150?***

No. Unlike fines which may be assessed on campaign statements, the maximum penalty which may be assessed for a statement of economic interests is \$100.

# Workshops Scheduled

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## Candidate and Treasurer Workshops Learn the Rules of Campaign Disclosure

The FPPC is holding several two hour workshops tailored to assist candidates and treasurers of candidate controlled committees involved in the November 2000 election. Mass mailing identification requirements will be discussed in addition to campaign disclosure provisions and prohibitions. Campaign form examples will be included in this discussion.

The workshop is geared to campaigns that will raise over \$1,000. However, all candidates are welcome and encouraged to attend.

Plan on attending! Call the Fair Political Practices Commission at 916/322-5660, press 3, to reserve your seat.

### NORTHERN CALIFORNIA

#### **Oroville**

Saturday, August 26  
11 a.m. to 1 p.m.  
1735 Montgomery St., Council Chamber

#### **Santa Clara**

Thursday, August 10  
6 p.m. to 8 p.m.  
1500 Warburton Ave., Council Chamber

#### **Pinole**

Wednesday, September 6  
3 p.m. to 5 p.m.  
2131 Pear St., Council Chamber

#### **Santa Cruz**

Saturday, August 12  
11 a.m. to 1 p.m.  
809 Center St., Council Chamber

#### **Sacramento**

Saturday, August 12  
10 a.m. to noon  
428 J St., 8th Floor Hearing Room

#### **Santa Rosa**

Thursday, August 31  
6 p.m. to 8 p.m.  
100 Santa Rosa Ave., Council Chamber

#### **San Francisco Ethics Comm.**

Saturday, August 19  
10 a.m. to noon  
One Dr. Carlton Goodlett Pl., Room 263

#### **Walnut Creek**

Wednesday, August 23  
9 a.m. to noon  
1666 North Main St., Council Chamber

Seminars are subject to cancellation — if there are less than 25 reservations  
Free — Sign up today! Call: 916/322-5660, press 3

*See next page for more locations.*

# Workshops Scheduled

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Candidate/Treasurer Workshops — *Continued from previous page*

## SOUTHERN CALIFORNIA

### Atascadero

Thursday, August 24  
7 p.m. to 9 p.m.  
6500 Palma Ave., Council Chamber

### Colton

Tuesday, August 29  
6 p.m. to 8 p.m.  
650 North La Cadena Dr., Council Chamber

### El Cajon

Wednesday, August 16  
6 p.m. to 8 p.m.  
200 East Main St., Council Chamber

### Huntington Beach

Thursday, August 24  
6 p.m. to 8 p.m.  
2000 Main St., Council Chamber, Lower Level

### L.A. County ROV

Saturday, August 26  
11 a.m. to 1 p.m.  
12400 Imperial Highway, 7th Floor Conference Room  
Norwalk

### Laguna Hills

Tuesday, August 15  
7 p.m. to 9 p.m.  
25201 Paseo de Alicia, Council Chamber

### Loma Linda

Thursday, September 7  
6 p.m. to 8 p.m.  
25541 Barton Rd., Council Chamber

### Poway

Wednesday, August 30  
6 p.m. to 8 p.m.  
13325 Civic Center Dr., Council Chamber

### San Bernardino County ROV

Monday, August 21  
6 p.m. to 9 p.m.  
777 East Rialto Ave., Main Conference Room  
San Bernardino

### Santa Monica

Wednesday, August 30  
6:30 p.m. to 8:30 p.m.  
1685 Main St., Room 213

### Simi Valley

Tuesday, August 22  
7 p.m. to 9 p.m.  
2929 Tapo Canyon Rd., Council Chamber



Formal written advice provided pursuant to Government Code section 83114 subdivision (b) does not constitute an opinion of the Commission issued pursuant to Government Code section 83114 subdivision (a) nor a declaration of policy by the Commission. Formal written advice is the application of the law to a particular set of facts provided by the requestor. While this advice may provide guidance to others, the immunity provided by Government Code section 83114 subdivision (b) is limited to the requestor and to the specific facts contained in the formal written advice. (Cal. Code Regs., tit. 2, §18329, subd. (b)(7).)

Informal assistance is also provided to persons whose duties under the act are in question. (Cal. Code Regs., tit. 2, §18329, subd. (c).) In general, informal assistance, rather than formal written advice is provided when the requestor has questions concerning his or her duties, but no specific government decision is pending. (See Cal. Code Regs., tit. 2, §18329, subd. (b)(8)(D).)

Formal advice is identified by the file number beginning with an “A,” while informal assistance is identified by the letter “I.” (See section 83114 and regulation 18329 for more information.)

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### Campaign

**Charles P. Scully, II**  
**California Labor Federation**  
**Committee on Political Education**  
**Dated January 11, 2000**  
**Our File Number: A-99-285a**

This letter provides advice concerning the amount of detail the Labor Federation is required to disclose electronically for contributions earmarked by members of affiliated unions to the Federation’s Committee on Political Education.

**James F. Sweeney**  
**Roman Catholic Church**  
**Dated February 9, 2000**  
**Our File Number: A-99-290a**

This letter supersedes the *Sweeney* Advice Letter, No. A-99-290. The insertion of political materials into the Church’s regularly published, limited circulation newspaper could cause the Church to be classified as a “major donor committee” with filing obligations under the Act.

**Alister McAlister**  
**Wilton**  
**Dated December 28, 1999**  
**Our File Number: A-99-293**

Campaign funds raised prior to January 1, 1989, may be transferred to a new controlled committee for an upcoming campaign provided that the funds have not been previously commingled with other later-raised funds.

**Paul R. Curry**  
**Citizens for Good Government**  
**Dated February 8, 2000**  
**Our File Number: I-99-303**

Under *In re Fontana*, reporting requirements for a ballot measure committee are triggered when a boundary change proposal becomes a measure by being placed on the ballot, or in the case of an initiative, referendum, or recall, when signature gathering begins.

**Stephen Kaufman**  
**Soto for Senate Committee/  
Soto for Assembly Committee**  
**Dated December 16, 1999**  
**Our File Number: A-99-305**

Assemblywoman Nell Soto is running in a special election to fill a vacancy in the 32<sup>nd</sup> Senate District. The election will be held on January 11, 2000, with a run-off, if necessary, on March 7, 2000. The letter discusses campaign filing deadlines through June 30, 2000, for her Assembly and Senate committees.

## Advice Summaries

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**Ginny Vida**  
**City and County of San Francisco**  
**Ethics Commission**  
**Dated February 8, 2000**  
**Our File Number: A-99-320**

The San Francisco Ethics Commission may continue to accept the Forms 419, 420, and 490 from filers through May 1, 2000, when the Ethics Commission will be able to modify its electronic filing system to use the new CAL format developed by the Secretary of State, which will accommodate the Form 460 adopted by the FPPC in August of 1999.

**Michael Johnson**  
**Voter Revolt**  
**Dated March 16, 2000**  
**Our File Number: A-99-323**

When one of a committee's sponsors is itself a sponsored committee whose sponsors are from diverse groups and industries, the entire name of the sponsor must be included in the committee's name.

**Charles H. Bell, Jr.**  
**Bernie Richter for**  
**Senate Committee**  
**Dated March 8, 2000**  
**Our File Number: A-00-010**

The return of nonsurplus campaign funds is governed generally by sections 89510-89518, which require that the expenditure of campaign funds be, at a minimum, reasonably related to a political, legislative, or governmental purpose. The return of contributions to a select group of contributors does not, by itself, present the requisite reasonable relationship to a political purpose.

**Phyllis Grammar**  
**Democratic Party of Contra Costa**  
**Dated February 3, 2000**  
**Our File Number: A-00-016**

The Democratic Party of Contra Costa has not qualified as a committee, although they have been filing reports. If they choose to continue to file reports, they should do so at least semi-annually. Otherwise, they may file termination papers and discontinue reporting.

**Anthony W. Farrington**  
**Farrington for Supervisor**  
**Dated February 16, 2000**  
**Our File Number: A-00-031**

Campaign mailings are not required to include wording such as "paid for by...." Letterhead, mailings, signs, and other printed materials are not required to include the words "elect" or "for." Mass mailings must include the name and address of the sender on the outside of the mailing.

**Kayla J. Gillan**  
**California Public Employees'**  
**Retirement System (CalPERS)**  
**Dated March 16, 2000**  
**Our File Number: A-00-033**

Candidates for the CalPERS board are candidates as defined in Section 82007. CalPERS candidates are subject to Sections 84100-84105 and 84300-84307. They are not subject to Sections 84200-84216.5, 84308, 85304 or 85305. The elected members of the CalPERS board are subject to Sections 87406(c) and 89001. The elected members of CalPERS must file their annual statement of economic interests by April 1. This letter supersedes one of the *Koppes* Advice Letters, No. A-94-121, in its entirety. This letter analyzed whether elections to fill CalPERS positions would be subject to the provisions of the Act. Intervening change in the law has rendered its advice inapplicable.

**Stephen J. Kaufman**  
**Soto for Senate**  
**Dated March 8, 2000**  
**Our File Number: A-00-040**

Regardless of winning or losing the special runoff election, a candidate may solicit and accept contributions following the election from persons who did not previously contribute the maximum contribution amounts as allowed by Regulation 18535(d).

**The Honorable Martin Gallegos**  
**California State Assembly**  
**Dated March 24, 2000**  
**Our File Number: A-00-059**

Payments made at a candidate's behest for a breakfast honoring public safety personnel are not contributions to the candidate. However, the candidate must report the payments if they exceed \$5,000 from a single source. In addition, any food consumed by the candidate will be considered a gift.

**Anne Hoffman**  
**Malibu Homeowners for Reform**  
**Dated March 28, 2000**  
**Our File Number: A-00-074**

An educational flyer is not an "expenditure." The flyer did not contain express advocacy.

### Conflicts of Interest

**Kenneth D. Buchert**  
**City of Marina**  
**Dated December 1, 1999**  
**Our File Number: I-99-242**

The letter discusses the application of the conflict of interest provisions of the Act to a city planning commissioner, who is also an architect, and is working on clients' projects that are pending before city staff and the planning commission.

**Charles S. Morales**  
**City of Gilroy**  
**Dated February 7, 2000**  
**Our File Number: A-99-246(a)**

This letter supersedes the *Johnson* Advice Letter, No. A-99-246. The letter concludes that where an official is separated from his spouse under California law and he and his spouse have fully separated their income, such that they no longer have a community property interest in each other's income, then the income of his spouse is no longer attributable to the official for conflict of interest purposes.

**Sam Bradley**  
**County of El Dorado**  
**Dated October 13, 1999**  
**Our File Number: A-99-258**

The letter analyzes whether contributions from two individuals to a county supervisor, who is also a LAFCO member, require the LAFCO member's disqualification under section 84308.

**Betty Rexford**  
**City of Poway**  
**Dated December 30, 1999**  
**Our File Number: A-99-262**

A city councilmember may participate in the city's CEQA comment process regarding a project in another city because it is not reasonably foreseeable that the comments will have a material financial effect on the councilmember's property.

**Phillip H. Romney**  
**City of Santa Paula**  
**Dated December 27, 1999**  
**Our File Number: A-99-263**

The city council appoints commissioners to the housing authority. Two applicants for commissioner were sources of income to a councilmember. Therefore, the councilmember is disqualified from participating in the decisions to appoint the commissioners and may only participate in the decisions if her participation is legally required.

## Advice Summaries

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**Kenneth A. Wilson**  
**City of Healdsburg**  
**Dated December 14, 1999**  
**Our File Number: A-99-282**

A member of a city planning commission must refrain from participating in planning commission discussions and decisions pertaining to the adoption of a growth management ordinance due to his financial interest in a local construction business.

**Elfrieda Hall**  
**City of Indio**  
**Dated March 9, 2000**  
**Our File Number: I-99-288**

Because a loan from the redevelopment agency to the public official that is based on the official's "particular qualifications and identity" is income, the official is precluded from participating in any governmental decision where a material financial effect on the agency will result, unless the "public generally" exception applies.

**Laura J. Anderson**  
**County of Napa**  
**Dated December 30, 1999**  
**Our File Number: A-99-284**

A LAFCO commissioner who has received income from Beringer within the past 12 months must recuse himself from consideration of a sphere amendment application where the decision would have a requisite material financial effect on Beringer.

**Jack L. White**  
**City of Anaheim**  
**Dated January 28, 2000**  
**Our File Number: A-99-291**

The letter provides a conflict of interest analysis, where a councilmember's engineering firm is participating in bids with a construction company that may become a source of income to the engineering firm in the future, but has not been a source of income to the firm in the past 12 months.

**Bryan C. LeRoy**  
**City of Lake Forest**  
**Dated February 7, 2000**  
**Our File Number: A-99-301**

Two officials, who own homes within 500 to 2,500 feet of a park site, may participate in decisions about the plan for a park site and the possible closure of a road unless it is reasonably foreseeable that the decisions would affect the fair market value of their personal residences by \$10,000 or more. The officials may rely in good faith on opinions they had obtained from a real estate appraiser.

**Mark P. Wald**  
**City of Oakland**  
**Dated February 10, 2000**  
**Our File Number: A-99-302**

A staff planner would be disqualified from making recommendations regarding the historic preservation element of the city's general plan covering an area in which he owned a home, unless there were significant, substantive review of his work. The meaning of "significant substantive review" is discussed.

**Linda L. Low**  
**Kern County Children  
and Families Commission**  
**Dated January 14, 2000**  
**Our File Number: A-99-304**

This letter provides a discussion of the public generally exception for appointed members of boards and commissions. It also discusses nonprofit organizations that are sources of income, as well as the nexus test.

**Duane Bennett**  
**City of Oceanside**  
**Dated March 13, 2000**  
**Our File Number: A-99-307**

This letter discusses whether a public official whose spouse is a real estate agent has a conflict of interest in a decision about a redevelopment project based on her economic interest in her spouse's income and investment interests.

**Diane Norman**  
**Glendora Planning Commission**  
**Dated January 6, 2000**  
**Our File Number: A-99-308**

A planning commissioner's spouse's equity membership in a country club, a nonprofit entity, constitutes an asset of her immediate family. She may participate in planning commission decisions about building 150 new homes located on property near the country club, if the decisions do not affect the value of the equity membership in the club by \$250, up or down, in a 12-month period.

**John A. Ramirez**  
**City of Palm Springs**  
**Dated February 24, 2000**  
**Our File Number: A-99-310**

A councilmember may not make, participate in making, or use his official position to influence decisions relating to a contract with a corporation that has been a source of income to him within the past twelve months. However, decisions involving rate changes to citizens for wastewater processing, or involving allocation of internal governmental administrative costs, are not decisions that will foreseeably have a material financial effect on the corporation.

**E. Clarke Moseley**  
**City of Duarte**  
**Dated January 25, 2000**  
**Our File Number: A-99-312**

If there will be no financial effect on a public official's property whose residence is within 300 feet of the boundaries of a proposed new residential development, he would not have a conflict of interest.

**Adam U. Lindgren**  
**City of Fort Bragg**  
**Dated February 10, 2000**  
**Our File Number: A-99-313**

This letter analyzes general plan decisions for a city councilmember whose employer owns a large, uniquely situated parcel subject to the city's general plan update.

**Jonathan T. Smith**  
**San Francisco Bay Conservation  
and Development Commission**  
**Dated February 28, 2000**  
**Our File Number: I-99-316**

An individual who is hired for nine months to review the technical aspects of a conservation project is not a "consultant" as defined by the Act.

**Ralph J. Appezzato**  
**City of Alameda**  
**Dated March 1, 2000**  
**Our File Number: A-99-317**

Tithes paid to a parish by a public official do not create a disqualifying economic interest in the parish.

**Michael R. Woods**  
**City of Pittsburg**  
**Dated January 14, 2000**  
**Our File Number: I-99-318**

As a general rule, salary and reimbursement for expenses or per diem received from a state, local, or federal government agency are expressly exempted from the definition of "income" for purposes of the Act. The personal financial effect rule is also discussed.

## Advice Summaries

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**Steven J. Rose**  
**City of Culver City**  
**Dated January 25, 2000**  
**Our File Number: I-00-012**

If there would be a reasonably foreseeable material financial effect on a public official's economic interest, he would not be allowed to participate in city council decisions concerning businesses that are members of the chamber of commerce.

**Tony M. Ferrara**  
**City of Arroyo Grande**  
**Dated January 31, 2000**  
**Our File Number: A-00-013**

Decisions on satisfactory completion of a construction "punch list" do not ordinarily have foreseeable financial effects on surrounding properties distinct from the financial effects of prior decisions embodied in the contract. Because the decisions on the punch list merely implement the prior decisions, such decisions do not give rise to an independent conflict of interest.

**Jimmy L. Gutierrez**  
**City of Coachella**  
**Dated March 10, 2000**  
**Our File Number: A-00-015**

A recently elected councilmember may vote on the city's decision to defend the election contest, notwithstanding the fact that the councilmember was a successful candidate in that election.

**Veronica A. F. Nebb**  
**City of Novato**  
**Dated March 6, 2000**  
**Our File Number: I-00-017**

A public official cannot participate in a decision that will have a personal financial effect on his or her immediate family. The Act, however, does not prohibit the official from participating in a decision merely because it will financially affect his or her adult child.

**Randall A. Hays**  
**City of Lodi**  
**Dated February 29, 2000**  
**Our File Number: I-00-019**

This letter gives general advice on potential conflicts of interest in decisions by a councilmember relating to the city-owned electrical utility company which competes with PG&E, a private utility company which employs the councilmember.

**Linda Downs**  
**County of Yuba**  
**Dated February 18, 2000**  
**Our File Number: I-00-021**

A public official may not make, participate in making, or use his or her official position to influence decisions that will either result in his or her spouse's hiring, firing, demotion, discipline, or the setting of his or her spouse's salary to a different level than other employees in the same job classification.

**Leslie S. Bowker**  
**Central Regional Water**  
**Quality Control Board**  
**Dated March 8, 2000**  
**Our File Number: A-00-027**

Unless there will be no financial effect on an official's real property interest, he may not participate in decisions concerning the wastewater project. The project will result in new or substantially improved sewer services to this real property interest. In this particular set of facts, the "public generally" exception would not apply.

**Michael R. Downey**  
**City of Santa Clara**  
**Dated February 29, 2000**  
**Our File Number: I-00-029**

When a private corporation assumes the obligation to pay for production of a book, it becomes a source of income to the public official chosen to author the book. The state will not become a source of income, even though at one time in the past the state was obligated to pay the author.

**Gregory C. Ferrier**  
**Castaic Union School District**  
**Dated February 25, 2000**  
**Our File Number: A-00-030**

A school district trustee/real estate agent does not have a conflict of interest in the decision to select a new school site since his old employer, which had a financial stake in the decision, has been dissolved, and his new employer has no financial connection to the decision.

**Marguerite P. Battersby**  
**City of Yucaipa**  
**Dated March 8, 2000**  
**Our File Number: A-00-032**

A public official who owns stock in Wal-Mart that is worth \$10,000 or more may not participate in the decision to approve the construction of a new Wal-Mart store since it is substantially likely that the decisions will have some effect on Wal-Mart.

**Joan Jamieson**  
**Santa Ynez Valley Union**  
**High School District**  
**Dated March 21, 2000**  
**Our File Number: A-00-046**

A school district trustee has a conflict of interest in a decision about purchasing land from a client of her consulting business. The Act's disqualification provisions apply to individual public officials; entire boards or councils are not disqualified collectively.

### **Conflict of Interest Code**

**Kathryn Donovan**  
**WestEd**  
**Dated January 27, 2000**  
**Our File Number: A-99-269**

The letter concerns WestEd, a nonprofit education think tank that competes for grants from federal, state, and local governments to fund its research. WestEd is a public entity under the *Siegel* test, but it is a multi-state entity with federal origins and strong federal ties. The letter concludes that WestEd is not a California state or local government agency that is required to adopt a conflict of interest code under the Act.

**Lynda Burgess**  
**City of Diamond Bar**  
**Dated March 27, 2000**  
**Our File Number: A-00-058**

A nonprofit public benefit foundation established by a city to assist the city in implementing a master parks plan is subject to the conflicts provisions of the Act. It is up to the city, however, to decide whether it shall amend its conflict of interest code to include the foundation or create a separate code.

### **Lobbying**

**Bill Northrop**  
**Independent Oil**  
**Producers' Agency**  
**Dated January 12, 2000**  
**Our File Number: A-99-321**

The current executive vice president of the Independent Oil Producers' Agency spends less than one-third of his compensated time lobbying in any calendar month. So long as he does not spend one-third or more of his compensated time lobbying in any month, he has no obligation to register as a lobbyist.

**J. Richard Eichman**  
**Sacramento**  
**Dated March 23, 2000**  
**Our File Number: I-00-071**

For any calendar quarter in which a lobbyist employer is not required to list individual contributions on its disclosure report, but pursuant to Section 86116(g) discloses only the name and identification number of its sponsored committee, contributions made by the committee need not be counted toward the threshold for electronic filing.

## Advice Summaries

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### Mass Mail

**Sheila R. Mohan**  
**Office of the Governor**  
**Dated September 27, 1999**  
**Our File Number: A-99-249**

The Act does not restrict the Governor from participating in an immunization greeting card program for new mothers if the cards are hand-delivered to new mothers by staff or volunteers at hospitals and local health departments. Mailing the cards to new mothers at their homes would be prohibited by the mass mailing provisions of the Act.

### Revolving Door

**Francisco Ramirez**  
**California State**  
**University System**  
**Dated January 12, 2000**  
**Our File Number: A-99-300**

The retiring director of community relations for the California State University System (“CSUS”) may not make compensated appearances before CSUS, or any officer or employee thereof, for a period of one year after his retirement date, if the purpose is to influence administrative or legislative action.

**Russell J. Bohart**  
**Health and Welfare Data Center**  
**Dated February 28, 2000**  
**Our File Number: I-99-319**

The letter answers several questions related to a former agency director’s duties under the post-employment provisions of the Act.

**Kathleen Elbe**  
**Department of**  
**Personnel Administration**  
**Dated March 17, 2000**  
**Our File Number: I-00-035**

The one-year ban does not apply if the employee is not designated in the agency’s conflict of interest code unless the employee should have been designated. The permanent ban may apply if the employee is assisting a consulting firm or any other person regarding proceedings in which the employee participated as a “state administrative official.”

### Statements of Economic Interests

**Honorable Gibson W. Lee**  
**Superior Court,**  
**Los Angeles County**  
**Dated March 9, 2000**  
**Our File Number: A-00-026**

All securities held in a “fully managed account” must be disclosed individually on Form 700, where the securities are held in the filer’s name, and despite the fact that the filer has no control over purchases and sale of the securities in the account. A “fully managed account” is not covered by the “diversified mutual fund” exception.